Release of more connections

1671. SHRIMATI SHOBHANA BHARTIA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether BSNL and MTNL have announced investment of Rs. 20,000 croces to install additional 60 million lines during the next three to four years;

(b) if so, whether any plan has been prepared;

(c) if so, whether rural areas will be benefited as 50 per cent of the connections will be reserved for such areas;

(d) whether Government have set a target of 250 million phones (including 200 million mobile phone) by 2007; and

(e) the areas which would be benefited by the scheme and the latest progress?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) Bharat Scnchar Nigam Limited (BSNL) Board has approved expansion of mobile network by 63.5 million lines with the estimated cost of around Rs. 21, 400 crores. MTNL plans to invest Rs. 2408 crores for providing 6.4 million lines during the 11th Five Year Plan (2007-12).

(b) A tender for procurement of 45.5 million lines network has already been floated by BSNL while balance 18 million lines is proposed to be ordered on M/s ITI against PSU reservation quota.

(c) A proposal is under active consideration of Government to extend subsidy support for creation of infrastructure to provide mobile services in rural and remote areas, where there is no existing wireless coverage. BSNL has proposed to provide mobile coverage to villages having population greater than 2000 progressively subject to techno-commercial feasibility. The capacity proposed is also targeted to create at least 50% of 250 million network set as an objective by the Government.

(d) Yes, Sir.

(e) As against 250 million connections which is planned to be provided up to the end of December, 2007, 153.18 million connections

have already been provided as on 30th June, 2006. Being on-going process, all areas are likely to be benefited.

Investment in share market

1672. SHRI PENUMALLI MADHU: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government has decided to invest Rs. 10,000 crores accumulated in Postal Life Insurance in share market;

(b) if so, whether it is conforming to assurance made in NCMP;

(c) whether Constituents of the UPA were consulted prior to announcing the said decision;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD): (a) The Ministry of Finance *vide* their O.M. No. 5(12)-PD/2001 dated 24th May, 2005 and O.M. of even number dated 30th January, 2006 have communicated the following decisions in respect of investment of Post Office Insurance Fund (POLF) and Rural post Office Insurance Fund (RPOIF):

(1) i) Cropus under POIF and RPOIF would get frozen as on March 31, 2006. The balance under POIF and RPOIF as on March 31, 2006 would be converted into dated securities over a period of 3 years, starting in the Financial Year 2006-07, offering a mix of maturities, to be decided in consultation with Department of Posts;

ii) The subscription received under PLI and RPLI during the period between April 1, 2006 and September 30, 2006 may be invested in the Special Deposit Scheme;

iii) Accretion under PLI and RPLI with effect from October 1, 2006 should be invested as per the Insurance Regulatory and Development Authority (Investment) (Amendment) Regulations 2000, as amended by Insurance Regulatory and Development Authority (Investment) (Amendment) Regulations, 2001 or any subsequent amendment;